

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

FEB 15 2001

Michael N. Milby, Clerk of Court

IN RE:
VENTURI TECHNOLOGIES, INC.

DEBTOR

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§ CASE NO. 01-31443-H4-11
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§

INITIAL ORDER FOR COMPLEX CHAPTER 11 BANKRUPTCY CASE

This bankruptcy case was filed on February 12, 2001. A Notice of Designation as Complex Chapter 11 Case (see General Order 2000-2) was filed. After review of the initial pleadings filed in this case, the Court concludes that this appears to be a Complex Chapter 11 Case and issues this scheduling order, subject to rescission, revision, or modification as provided below:

1. **Service List and Limitation on Service:** The Debtor shall maintain a service list ("Service List"), identifying the parties that must be served whenever a motion or other pleading requires notice. Upon establishment of such a list, notices of motions and other matters will be limited to the parties on the Service List.
 - a. The Service List shall initially include the Debtor, Debtor's counsel, counsel for the Unsecured Creditors' Committee, U.S. Trustee, all secured creditors, 20 largest unsecured creditors [of each Debtor], any indenture trustee, and any party that requests notice;
 - b. Any party in interest that wishes to receive notice, other than as listed on the Service List, shall be added to the Service List merely by request filed into the record and served on the Debtor, and Debtor's Counsel;
 - c. Parties on the Service List are encouraged to give a fax number or e-mail address for service of process and parties are encouraged to authorize service by fax or e-mail; consent to fax or e-mail service may be included in the party's notice of appearance and request for service; notwithstanding consent to e-mail service, "hard copy" shall be served by fax or by regular mail; and
 - d. The initial Service List shall be filed within 3 days after entry of this order. A revised list shall be filed after 15 days after the Initial Service List is filed. Debtors shall update the Service List, and shall file into the record a copy of the updated Service List, at least every 30 days thereafter.
2. **Hearing Days:** The Court hereby establishes Wednesday of each week at 10:30 a.m. as the scheduled hearing day ("Hearing Day") and time for hearing all motions and other matters in these cases. (There may be exceptions; those exceptions will be noted on the Court's

internet schedule, available at <http://www.txs.uscourts.gov/judges/judgeban.htm>.)

3. **Setting Hearings and Giving Notice for Matters that do not Require Emergency or Expedited Treatment:** All motions and other matters requiring hearing (including motions for relief from the automatic stay but NOT including claims objections and adversary proceedings) shall be noticed for hearing on the next Hearing Day that is at least 23 days after the notice is mailed. As a preface to each pleading, just below the case caption, in lieu of the language required by Bankruptcy Local Rule 9013(b), the pleading shall state:

A HEARING WILL BE CONDUCTED ON THIS MATTER ON _____ AT _____ M. IN COURTROOM _____, HOUSTON, TEXAS. IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING UNLESS YOU DID NOT RECEIVE THIS NOTICE IN TIME TO DO SO. IN THAT SITUATION, FILE YOUR RESPONSE AS SOON AS POSSIBLE. IN ADDITION TO FILING YOUR RESPONSE WITH THE CLERK, YOU MUST GIVE A COPY OF YOUR RESPONSE TO THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

The Court will set separate hearings for claims objections and adversaries.

4. **Setting Hearings and Giving Notice of a Motion Requiring Emergency or Expedited Relief:** If a motion requires emergency or expedited relief:
- a. The motion shall state with specificity the reason why an emergency exists or why there is a need for expedited treatment. No separate motion for an emergency hearing is required.
 - b. Movant shall serve notice of the motion and of the hearing as set forth above, (including the language above giving notice of the hearing date and the necessity to file a response). However, the Movant may choose a Hearing Day that is less than 23 days after notice is mailed. Movant should choose a date that allows as much time as possible for consideration and response by parties receiving the notice. The motion may be set for the next Hearing Day only if absolutely necessary.
 - c. When the motion is called for hearing on the designated Hearing Day, the Court will first consider whether expedited treatment is required, whether adequate notice has been given, and whether there has been adequate opportunity for parties to be heard. The Court may decide to hear the matter at that time or the Court may issue other scheduling orders as the Court determines to be appropriate after consideration of the nature of the emergency, the adequacy of the notice and delays for consideration by

all parties, the nature of the relief sought, and such other matters as the Court may consider to be cogent.

- d. **Extraordinary Emergencies:** In very rare circumstances, a party may need relief that cannot be delayed until the next Hearing Day. In such circumstances, the Movant may, by separate motion, request a hearing to be held prior to the next Hearing Day. If the Court grants such emergency treatment, the Court will direct the requisite notice and will set a hearing date and time. When the matter is called for hearing, the Court will first consider the propriety of emergency treatment as described in sub-paragraph (c) above.
- e. Parties are encouraged to authorize opposing parties to serve them by fax or e-mail to facilitate notice of emergency and expedited hearings.
5. **Participation in Some Hearings By Telephone:** Emergency and expedited hearings (and other hearings in limited circumstances) in this case may be conducted by “Meet Me” telephone conference. Parties must request permission to participate by telephone by calling the Court’s case manager, Tessi Harman, at 713-250-5405. The case manager can also give instructions concerning use of the Meet Me telephone facility.
6. **Settlement:** If a matter is properly noticed for hearing and the parties reach agreement on a settlement of the dispute prior to the final hearing, the parties may announce the settlement at the scheduled hearing. If the Court determines that the notice of the dispute and the hearing is adequate notice of the effects of the settlement, (*i.e.* that the terms of the settlement are not materially different from what parties in interest could have expected if the dispute were fully litigated) the Court may approve the settlement at the hearing without further notice of the terms of the settlement.
7. **Case Captions:** Complex cases usually involve hundreds of motions. To facilitate motion tracking by the Clerk of the Court, each answer, reply, objection, and order filed or provided by a party in this case should contain, in its title or first paragraph, a reference to the docket number of the pleading to which it responds. EXAMPLE:

Response by XYZ Bank to Debtor’s Motion For Use of Cash Collateral.
[This pleading responds to Docket # ____]
8. **Noticing Agent and/or Claims Agent:** Debtor’s counsel shall contact the Clerk of Court immediately to discuss the anticipated workload with respect to sending notices to parties in interest and with respect to filing proofs of claim. If the Clerk concludes that the requirements for these functions will put unacceptable burdens on the Clerk’s resources, the Debtor shall forthwith propose the appointment of a claims agent or noticing agent, or the Debtor shall propose another solution acceptable to the Clerk.
9. **Notice and Objections to this Order:** The Debtor shall give notice of this order to all parties in interest within 7 days. If any party in interest, at any time, objects to the provisions

of this order, that party shall file a motion for appropriate relief, articulating the objection and the relief requested. The motion shall comply with the provision of this order. After hearing the Motion and any responses, the Court may grant appropriate relief, if any is required. The Court may also, *sua sponte*, revise, modify, or rescind this order.

SIGNED this 14th day of February, 2001.


UNITED STATES BANKRUPTCY JUDGE
WILLIAM GREENDYKE

The Clerk shall notice:

Debtor

Debtor's Counsel